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DIRECTORATE OF
INTELLIGENCE

WEEKLY SUMMARY

State Dept. review completed

DIA review(s) completed.

Secret

3 March 1972
No. 0359/72

Copy

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The WEEKLY SUMMARY, issued every Friday morning by the Office of Current Intelligence, reports and analyzes significant developments of the week through noon on Thursday. It frequently includes material coordinated with or prepared by the Office of Economic Research, the Office of Strategic Research, and the Directorate of Science and Technology. Topics requiring more comprehensive treatment and therefore published separately as Special Reports are listed in the contents pages.

~~The President's Trip: Initial Reactions~~

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put was notable mainly for its assiduous effort to avoid any mention at all of the Chinese. Hanoi failed, for instance, to publish until 1 March a Chinese statement of support for the Vietnamese Communists that had been issued on 19 February.

The Vietnamese do continue to criticize the US, and President Nixon personally, in strident terms. To buttress the point, the Hanoi press has announced publication of a book on "Nixon's criminal record," and almost simultaneously has surfaced an editorial portrait of the President that uses unusually abusive language even for the North Vietnamese press.

The avoidance of any reference to Peking was undoubtedly meant to convey Hanoi's pique. The regime is almost certainly deeply worried that China's role in the summit may have helped to defuse the war as a propaganda issue and lessen Hanoi's leverage on world opinion.

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~~Hanoi is now caught in a squeeze between the Soviets and the Chinese as both jockey for position vis-a-vis each other and the US.~~

The North Vietnamese may also be worried that the trip has strengthened the President's political hand in the US and increased the likelihood that Hanoi will be dealing with the same US administration through another presidential term. If this concern over the political impact in the US is as deep as it appears to be, it may prompt them to rethink their own political options.

OFFICIAL SILENCE FROM HANOI

Hanoi has maintained an official silence on the summit talks in Peking. Before the President's visit, the North Vietnamese published generalized press commentaries warning the Chinese and the Soviets by name that the US diplomatic strategy is aimed at dividing socialist countries and resurrecting "obsolete" spheres of influence in the world. They republished some of the commentaries during the visit, but otherwise Hanoi's out-

CAUTION AND SUSPICION IN THE USSR

Wishing to assure its people that the President's visit did not jeopardize the vital interests of the Soviet Union, Moscow has reacted with aplomb. Major Soviet newspapers ran a TASS account of the communiqué that accurately outlined the "not common" positions of the two sides and noted the areas in which the US and China are to make contacts.

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Soviet concern nevertheless showed through. In the first place, TASS omitted the section of the communiqué in which the two sides disclaimed any intention to enter understandings against other states, reflecting Moscow's obvious suspicions on that score. In addition, although the TASS item noted the statement of differences on the fundamental issue of Taiwan, it cited "American press" speculation that the positions of the two sides on Taiwan "have become close." Tass also mentioned the refusal of either Chou En-lai or the President to comment on the content of their talks. Soviet emphasis on these points probably reflects a suspicion that there may have been achievements not apparent in the communiqué. In fact, Embassy Moscow reports various Russians are already speculating about possible secret agreements.

Moscow has not yet produced an authoritative editorial on the visit. The closest it has come so far was an article in the trade union newspaper

Trud on 29 February. *Trud* disparaged the trip as an elaborate publicity stunt.

Soviet news treatment throughout cast the visit in an unfavorable light but has done so primarily by quoting from the foreign press. The reporting has been most critical of the Chinese leaders, charging that the visit is but one more step in their policies aimed against the world socialist movement in general and the Soviet Union in particular. The most common Soviet theme has been to attempt to discredit Peking in Hanoi and the Third World by tying the visit to US policy in Indochina.

The Russians are gratified that the final communiqué did not contain anything openly critical of the USSR and its policies. They will doubtless try to learn the details of what happened during the Peking visit while concentrating on how, at their own approaching summit with President Nixon, they can counter any adverse developments from the China visit.

INTERNATIONAL MONEY

The dollar this week has been mixed on international currency markets. At one point, the Reuters index showed the major currencies within 0.8 percent of their composite central rate, compared with a level nearly 1.2 percent above early last week. The dollar's most significant gains were made against the West German mark and Japanese yen, as a result of new measures by Bonn and Tokyo to stem the inflow of dollars.

Bonn has announced that private firms would be required to deposit up to 40 percent of their foreign borrowings in interest-free domestic accounts. This requirement, in conjunction with last week's lowering of the German discount rate by one percentage point, will reduce the disparity between the mark and Eurodollar interest rates. On 29 February, the Bank of Japan lent \$200 million of its growing reserves to Japanese commercial banks for repayment of short-term debts to US banks.

The Commerce Department deadline of 29 February for US corporations to return funds for end of 1971 accounting purposes had a minimal impact on the currency markets. The presumption is that at least 90 percent of these funds will return to Europe in early March.

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Indochina

TET OFFENSIVE FLOPS IN SOUTH

The Communist Tet offensive has so far been small and unimpressive with few of the enemy's main forces committed to battle. The evidence of battle directives and major combat preparations was so extensive and convincing it seems scarcely possible the allies were victims of a hoax. Many battle directives emphasized the need for a show of military muscle during President Nixon's trip to China. Moreover, Hanoi's propaganda tirade against the President's journey, plus its willingness to have the Communist walkout at the Paris talks interpreted as a slap against the President's visit, indicate that the Vietnamese Communists were not about to hold up military operations in deference to Chinese sensibilities during the visit.

Communist military action in and around populated areas following Tet did increase above

The "offensive" has been launched, but so far does not amount to much.



levels of the preceding months. When all the statistics are totted up, the incident rate, if not the intensity of the action, will probably show a notable increase. The rise in enemy action, primarily involving raids by local forces and sappers, began on the eve of the President's departure and continued to sputter along with scattered strikes against pacification projects and military strong-points. The Communists struck targets that had not been hit for a long time, including a number of major airfields and government installations in provincial capitals. It thus appears that the Communists did try to mount a substantial offensive near populated areas. Many of their plans for action by local forces flopped, however, and main force units apparently were not ready to kick off major attacks.

A big problem for them was lack of surprise. The allies, having been forewarned of Communist intentions, were ready with extensive counter-action. Captured prisoners make it clear that heavy allied counteroperations, both from the air and on the ground, significantly disrupted Communist plans.

Another problem was that, for all the exhortations to the Communist troops to go all out, the leadership still seems bent on exercising economy of force. At no point did it commit the kind of forces that, regardless of superior allied combat support, might have turned the tide. The Communists still appear to be thinking primarily in terms of the long haul in challenging the Thieu regime and do not want to expend their valuable remaining assets in South Vietnam for transitory gains that might well not have any decisive impact.

The Threat Remaining

In the coming weeks, we expect a few hard strikes and a slight increase in the pace of operations at one point or another. So far, however, it

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does not appear that the Communists have the organization or strength near populated areas to take advantage of US withdrawals to pose a threat that friendly forces still in place cannot contain. There is considerable evidence, nevertheless, that the Communists are still trying to move forces closer to population centers and are still working hard to improve their organizational base near these centers.

Throughout the past few months, the rapid Communist build-up in the central highlands and in northwestern Military Region 1 has suggested that they wanted to launch significant attacks in these areas during Tet to support intended operations elsewhere. The evidence now suggests that the Communists were unable to complete preparations for major operations in time. In addition, first-line main force units in these areas or en route to them have been hit hard by allied counteractions, particularly air attacks, and their plans have been thrown off schedule. It thus seems likely that the biggest share of the Communist campaign in the western and northern border regions is yet to come. The weather will permit a Communist ground campaign in these areas at any time during the next several months. Furthermore, the continuing movement of other main force units in Cambodia to areas opposite the South Vietnamese border in Military Region 3 suggests that the Communists also hope to increase the military pressure in this area. The size of these border battles will depend in large measure on the Communist's willingness to expend their infiltrated forces and on the effectiveness of allied air and ground operations.

Hanoi's Viewpoint

Hanoi can hardly be happy with the results of the dry-season campaign so far. The small-unit actions of the past couple of weeks have clearly failed to achieve the kind of military successes

that pay immediate political dividends. Communist operations have probably diverted a good many South Vietnamese troops from the pacification program, but even this achievement is likely to be short lived unless the Communists can achieve a bigger impact on the battlefield.

GIAP WRITES ON "PEOPLE'S ARMY"

Hanoi is in the process of publishing a massive tract by Defense Minister Vo Nguyen Giap that may contain significant revisions of existing military doctrine. Giap was the author some years ago of *People's War, People's Army*, up to now a main treatise on North Vietnamese military strategy. Only the first section of the new tract, a long historical essay published in the January issue of the party's theoretical journal, is so far available, but some of the themes it contains are intriguing.

One purpose of this section seems to be to provide a theoretical justification for the existence of a regular army in North Vietnam. The article reaches back into the nineteenth century and even earlier to trace the development of the "people's army" as an adjunct to the proletarian struggle. It stresses that Lenin found that, as long as the "imperialists" were pressing the Soviet Union, "a well-trained, well-equipped, disciplined, powerful regular army with a concentrated, unified command" was a necessity.

Why Giap should feel compelled to offer this defense of regular forces—a defense that jars a bit with his championing of guerrilla warfare over the years—is obscure. It may be that the North Vietnamese are troubled by the steady growth in power of a regular military establishment that is not rationalized in earlier treatises on "people's war" and peasant armies. Giap's commentary, in its determined search for historical parallels, could thus be an effort to fill the doctrinal void.

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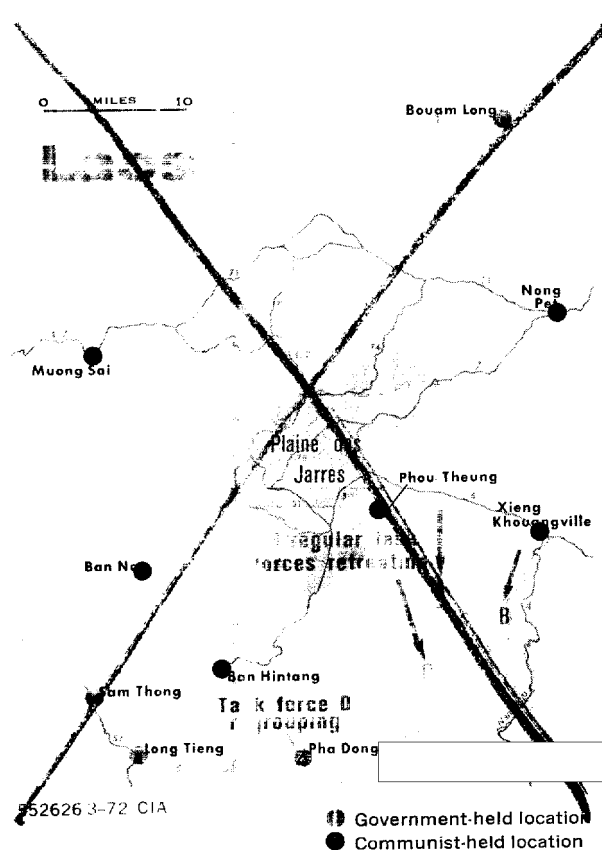
Indeed, ideas that have cropped up from time to time in less authoritative pronouncements may indicate that the regime recognizes a lot of argumentation is needed to change traditional viewpoints and attitudes. For Vietnamese Communist cadres, indoctrinated all their lives on Viet Minh tactics and the concept of a gradual progression from guerrilla to conventional warfare, the notion of a large regular army bearing the brunt of the fighting in Indochina (and perhaps also throwing its weight around at home) may be a hard one to accept.

LONG LULL IN NORTH LAOS

The level of fighting has remained light in northern Laos since Vang Pao's irregulars routed North Vietnamese forces from their last toehold on Skyline Ridge on 24 January. The Communists suffered heavily from air strikes and had trouble moving supplies to front-line troops trying to capture Long Tieng. Failing in their first attempt to overrun the government stronghold, the Communists apparently set out to stock supplies in forward caches and fill out depleted units with replacements before undertaking another major drive.

Their plans were thrown into disarray by Vang Pao's audacious operation into the area east of the Plaine des Jarres. Concerned lest the government forces cut vital supply lines, the North Vietnamese quickly pulled two regiments and elements of two others back into the area of the Plaine. Some of these units took up blocking positions to protect vital areas, while others moved to push back the irregulars. So far, they have succeeded in forcing all four of Vang Pao's task forces back toward Pha Dong.

Although Vang Pao's forces never seriously interfered with Communist supply movements, the operation did help relieve the pressure on



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Long Tieng by causing the diversion of Communist troops.

~~The question now is what Vang Pao does for an encore. After a period of rest and refitting, he might want to renew the offensive near the Plaine in the hope that the Communists will pull back more troops from Long Tieng. He might decide to attack directly the North Vietnamese troops in the immediate area of Long Tieng to force them on the defensive and pre-empt plans for another shot at Long Tieng. The evidence does indicate that the North Vietnamese are trying to get ready for another push. Air observers have spotted "vast" quantities of supplies being moved forward in the past few days.~~

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Renaissance, Chinese Style

Early last month, hundreds of culturally starved Chinese thronged bookstores in Peking, ignoring the latest edition of Mao's works and snapping up faded and dusty volumes of Chinese classics and Western philosophic works. These volumes were on sale for the first time in nearly six years, providing the most recent indication that Peking has begun to loosen the reins on cultural activity and encourage China's politically intimidated literati to begin producing again. Although the current campaign is unlikely to result in a rapid outpouring of new literary and artistic works, the sudden reappearance of previously banned books indicates that the influence of moderates in the top leadership is being ex-

tended to this politically sensitive area of Chinese life.

During the Cultural Revolution, intellectuals were severely attacked for harboring elitist concepts, and they either withdrew from public life voluntarily or were purged. Cultural activity came to a standstill. Most books and scholarly journals were banned for being politically incorrect. The cultural fare that was available centered on eight "revolutionary" operas and ballets—revised under the auspices of Mao's wife, Chiang Ching—which glorify the role of the masses in shaping China's destiny. These works, including the "revolutionary" ballet recently

Communist Radiophoto



New Food for Thought

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viewed by President Nixon, were adapted for film and television showings throughout the country.

The regime's efforts to fill the cultural void have been under way for several months. Last summer, a cultural group (minus Madame Mao) was established under the state council. In December, the *People's Daily* issued a sweeping call for creative endeavors in every cultural sphere. Obviously trying to raise artistic standards, the party daily directed previously disgraced intellectuals to play the major role and relegated the politically activist amateur theatrical groups which held the limelight during the Cultural Revolution to strictly "spare time" activities.

These steps have been accompanied by a campaign to improve the quality of academic studies and rekindle pride and interest in China's cultural heritage. In addition to selling Chinese and Western classics, Peking has publicized the unearthing of ancient relics. Regime media have been encouraging teachers and scientists to enrich their course content and resume some forms of theoretical research.

regime. Indeed, the role of Madame Mao, previously the leading spokesman of the radicals in cultural matters, has diminished as the cultural thaw has progressed.

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Koreans on the Diplomatic Circuit

Seoul and Pyongyang have been on the diplomatic offensive in the past few months, and their activities are greatly in excess of their normal competition for world recognition. The intensity of the activity reflects a realization by both sides that the stakes with regard to international support are considerably higher now that long-frozen attitudes toward the Korean problem are beginning to thaw.

Pyongyang's offensive has been aggressive and adept, combining a subtle diplomatic approach with a well-orchestrated propaganda campaign. Four high-ranking North Korean officials have been touring Africa, the Middle East, and Eastern Europe, drawing attention to North Korea's current flexible proposals for peace talks with South Korea. Pyongyang's aim is clearly to portray itself as the more reasonable and accommodating of the two Koreas and where possible to cut into the traditional reservoirs of support for the South. Toward that end, the North Koreans have proposed contacts with several Western European countries and Canada, are actively seeking to expand relations with selected Latin American countries, and are attempting to improve their standing in countries where both Pyongyang and Seoul are represented.

The North Korean effort also appears directed toward marshaling support for an unconditional invitation for Pyongyang to attend the annual UN debate on the Korean question in the fall. Up to now, such an invitation has been

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contingent on acceptance of UN competence in Korea—something Seoul has agreed to but Pyongyang has adamantly rejected. In January, Kim Il-sung indicated some flexibility in this heretofore negative attitude toward the international body by stating for the first time that his country's position on the UN was under review. Moreover, he implied that, with Peking in the UN, "the year of Korea" had arrived.

Pyongyang has clearly gotten the jump, and Seoul's diplomatic moves have largely been reactive in nature. A series of delegations will be contacting about 35 countries in the next few weeks, and more than 20 additional states have been invited to send representatives to Seoul. Through these efforts, South Korea hopes to ensure sufficient support to bar changes in the UN invitational formula or, alternatively, to have the entire Korean question postponed for a year, as it was at the 1971 session of the General

Assembly. Seoul is also attempting to discredit Pyongyang by playing up its aggressive designs on the South.

The South Koreans are fighting an uphill battle on both counts. Response from many of the governments on the UN issue has been polite but noncommittal. Seoul's efforts to portray Pyongyang as an aggressor have been undercut by the North's proposals for settling the Korean problem through peaceful means.

As each side maneuvers for diplomatic advantage, it is unlikely that either will be able to erode the basic support of the other. The North Koreans may be able to garner enough support for an acceptable invitation to the UN. The South Koreans anticipate this and may be prepared to live with it, but only after all efforts to block such a development have been exhausted.

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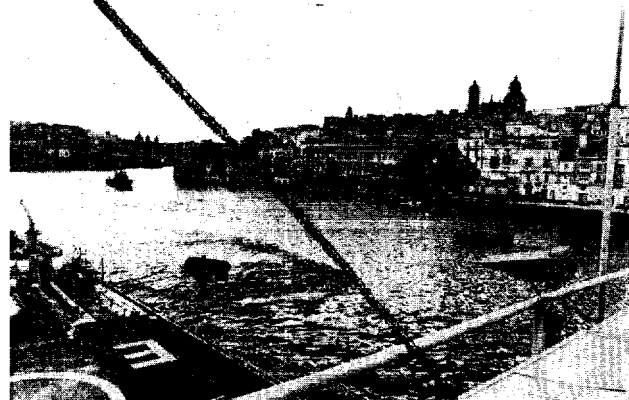
Malta

A Malta-UK agreement still appears possible, but there are signs that Prime Minister Mintoff is pursuing alternatives with the Libyans. Talks with the British were scheduled to resume on 26 February in London, but they washed out when Mintoff balked at a message from Prime Minister Heath that, Mintoff felt, held out "very little" chance of movement on London's part. Although Mintoff characterized the British message as a demand "to capitulate unconditionally," he continued to express a desire for a meeting with Heath.

Reversing an earlier position to let Mintoff make the next move, London on 1 March sent him a message obliquely hinting at concessions on bilateral issues and proposing a Heath-Mintoff meeting if "mutually agreeable arrangements" can be made.

The air of optimism in Malta on an eventual accord with the British seems to have dissipated. Many Maltese, tired of the prolonged crisis, reportedly want an end to the uncertainty, whatever the outcome. The British withdrawal is continuing. They announced on 1 March that the operation had entered its final phase and would be completed about a week ahead of the 31 March deadline.

Mintoff is also considering arrangements with Libya that would appear to be complementary to an accord with the UK. The ministerial delegation apparently discussed the question of economic aid and the conditions under which Maltese laborers could be employed in Libya. In addition, construction industry representatives who were in Libya last week broached a number of projects with Libyan officials.



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Italy: Attention to the Right

Political leaders are focusing their attention on the vote-getting powers of the neo-fascist Italian Social Movement as the campaign for parliamentary elections on 7 May gets under way.

The Christian Democrats were primarily responsible for President Leone's decision to dissolve parliament on 28 February, one year before its term expired, and to call for new elections. They forced the elections because they believe they will lose fewer votes to the far right now than after a year of adverse developments such as electoral redistricting and a lethargic economy. They also succeeded in postponing the referendum on divorce, which no politician, except those on the far right, really wants.

The Christian Democrats refused to share the strategic advantages of a pre-electoral caretaker government with their center-left partners of long standing. They have insisted on a single-party government, partly in order to be separated from the Socialists and thus free to move rightward to compete with the neo-fascists. On 1 March, ex-president Giuseppe Saragat raised the possibility of including the Liberal Party in a five-party coalition if there is a large vote for Italy's neo-fascist party in May.

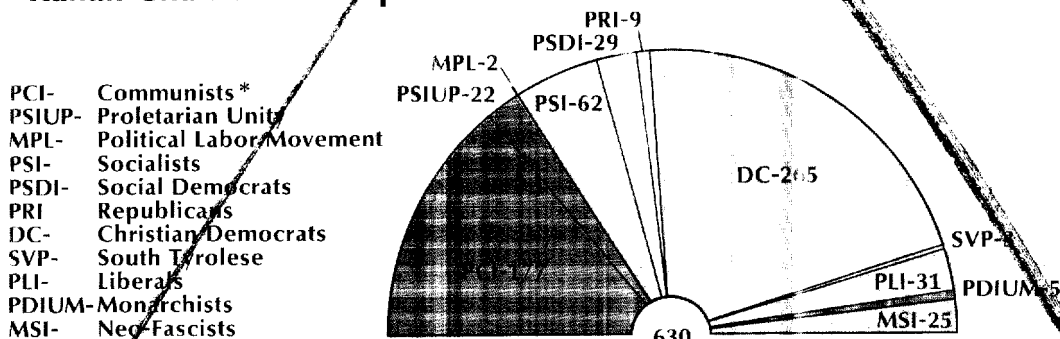
The neo-fascist Movement has participated in national elections since 1953, polling between four and six percent and arousing little concern. In Sicilian regional elections last June, however, the Movement attracted 16 percent of the vote—more than double its previous share. Despite atypical aspects of that voting, the shock has spread throughout the country.

In the military, sympathy with the neo-fascists' verbal emphasis on law and order is said to be growing ever though the Movement gets into street brawls. Chief of Staff for Defense Enzo Marchesi recently warned his officers of the perils of a major neo-fascist vote gain and advised them to vote Christian Democratic, according to a reliable source.

The neo-fascists have already picked up some slight additional support from the monarchists who decided at their congress on 27 February to unite with the neo-fascists. The two parties will join in single electoral lists next May under a neo-fascist emblem altered only slightly.

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Italian Chamber of Deputies



*Includes Manifesto dissidents and Independents of the Left.

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SECRET**Finland: No Rest for the Weary**

President Kekkonen finally got a government on 24 February, allowing him to go off to the USSR the next day with his domestic house in passable order. This Social Democratic government, however, has only 55 of the parliament's 200 seats, and it is therefore unlikely to advance bold policies or be long lived. It already faces a challenge from the Communists, who plan wildcat strikes and public demonstrations during March.

Any possibility of a majority, center-left government disappeared when the Center and Social Democratic parties failed to agree on agricultural subsidies, the issue that brought down the previous government. Although the Social Democrats were reluctant to form a minority government, which places them at some disadvantage in competing with the Communists for votes from the left, they apparently felt compelled to do so as the largest gainers in the last

election. Municipal elections in the fall may be the catalyst for forming an enlarged or alternative government.

The Communists are clearly prepared to make life difficult. Having made a record of left militancy in the governmental negotiations, they are now going to the factories and streets. Their activities are in support of demands connected with the renewal of the country's economic stabilization program that expires on 31 March. The party's militancy also reflects, however, the determination of moderate Communists not to be outflanked by their rivals within the party prior to the congress on 29 March.

Communist machinations in the national trade union organization are being firmly opposed by the Social Democrats, who just last October elected a majority of the organization's



Premier Paasio (l.) Presents Cabinet to President Kekkonen (r.)

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leadership. But the Communists control a number of the member unions, and the Social Democrats warn that the Communists' refusal to honor the decisions of the national organization may again split the labor movement.

In part because of Communist activities, Kekkonen wished to assure himself during his hunting trip with Brezhnev, Kosygin, and Podgorny that Finnish-Soviet relations were healthy. He received a stout endorsement for his foreign policies in their joint communiqué and came back relatively satisfied. He did, however, agree for the first time that a Conference on Security and Cooperation in Europe should be held in 1972. He probably believed it politic to do so; there has been speculation that the Russians felt Helsinki was more interested in buttressing its neutrality by hosting the conference than in pushing for its convocation soon.

The communiqué did not mention Finland's negotiations with the European Communities, a subject that must certainly have been discussed. Kekkonen probably attempted to convince the Soviets that any arrangement with the Communities would not affect Finland's neutrality. Moscow, which opposed Helsinki's joining the proposed Nordic Economic Community, presumably would at a minimum expect to be compensated economically and politically for any arrangement, if it did not veto one. But there is no need for the Soviets to take a position yet, for the Finns and Communities are still far apart in their negotiating, especially on the issue of Finnish export of paper industry products. [redacted]

Hungary-Romania: Different Styles

Hungarian party chief Kadar went to Romania last week for the signing of a new 20-year "Treaty of Friendship, Cooperation, and Mutual Assistance." This replaced the accord that expired in January 1968. The treaty contains no major

innovations but does symbolize normal relations. Moreover, it attests to the successful efforts both sides have made to overcome the difficulties of last summer, when Hungarian politburo member Komocsin [redacted] leveled public criticism at Romania. 25X1

A superficial atmosphere of cordiality surrounded Kadar's public appearances. [redacted]

[redacted] An uninformative communiqué admitted only that the two sides "exchanged views" on international questions, wording that indicates unresolved differences.

Judging by Ceausescu's speech on 25 February, Bucharest did not consider this the proper occasion for stressing its well-publicized views on international affairs.

Kadar's remarks, however, were replete with hard-line orthodoxy and seemed intended more for Russian than Romanian ears. Feeling pressure from Moscow because of his internal problems, Kadar separated Hungary from the international positions held by the Romanians. These reassurances of loyalty were doubly necessary because of Budapest's past miscalculations on China policy, an issue particularly sensitive to Moscow.

Kadar went out of his way to highlight Romanian-Hungarian differences. He pointedly reminded his listeners that "the Warsaw Pact and the Soviet Union jointly guard our achievements." He even lauded the 1969 International Communist Conference; Bucharest has long had reservations about the conference documents.

Kadar probably viewed the trip as an opportunity to improve Hungary's account with the Soviets. On the other hand, the Romanians, who are more accustomed to walking a tight-rope, probably were not unduly upset at the Hungarian leader. The constraints on Hungary are very familiar to the Romanians. [redacted]

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USSR-US: CLOSING THE POLLUTION GAP

The pressure for rapid economic growth in the Soviet Union has fostered air and water pollution as well as mismanagement of other natural resources. Considering the relative size of the two economies, we estimate that the Soviet producing sectors pollute air and water at least as much as their US counterparts. Moreover, the annual rate of increase in these pollutants in the USSR was larger than in the US in the late 1960s, and the Soviet rate is expected to rise further during the current five-year plan (1971-75).

The amount of pollutants released into the water by Soviet producers is about three quarters that of the US, and the amount of air pollutants almost one half. Since the gross national product of the USSR is approximately half that of the US, this indicates that Soviet producers are more intense water polluters and about equally bad in air pollution. This reflects the fact that some of the worst water polluting industries—for example, animal husbandry and the food industry—account for a greater share of gross output in the USSR than in the US, while negligible water polluters such as transportation and communication are more important in the US economy.

Output of water pollutants grew by an annual rate of about 3.3 percent in the USSR and about 1.9 percent in the US during the late 1960s, while output of industrial air pollutants grew about 5.9 percent in the USSR and 5.1 percent in the US. It is estimated that water pollution from the Soviet producing sectors during 1971-75 will increase by 4.3 percent annually and air pollutants will rise by eight percent.

This analysis is based on Soviet and US input-output tables, which measure the flow of goods in the economy. Therefore, only pollution from industrial sources emitted during the production process was measured; pollution from the consumer side, such as auto emissions and municipal waste, was not taken into account. Also, the relative size of the countries and their water resources was not considered.

КРОКОДИЛ 34
ДЕКАБРЬ 1970



“Now do you believe that we love nature?”

Legislative controls aimed at curbing environmental disruption have been initiated in the USSR, but enforcement has been difficult mainly because of the peculiarities of the Soviet system. First, the Soviet administrative structure entrusts protection of the environment to the industrial and agricultural ministries, which are the major polluters. Moreover, the Soviet state historically has favored heavy industry and high growth rates, giving conservation of natural resources a low priority. As a result, penalties for pollution have been small. Effective legislation will undoubtedly appear when environmental disruption significantly hampers production.^{25X1} Since this is not likely during the next five years, measures to curb pollution probably will not receive a high priority.

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USSR-Chile: A Friend in Need

Moscow is weighing closer economic relations with Chile. The Russians are growing more worried over President Allende's ability to survive mounting economic and political problems.

A Soviet delegation, headed by a deputy chairman of the State Planning Committee, visited Chile from 26 January to 15 February. The delegation came hard on the heels of Politburo member Andrey Kirilenko, and new Soviet commitments to the troubled Allende government may be forthcoming.

By sending a key figure in the Soviet planning apparatus along with 16 specialists, Moscow is signaling its interest in the Chilean economy. The Soviet entourage inspected various industrial installations, including several sites tagged by the Allende government for possible Soviet investment. The Chilean press cited a lubricants plant planned near the port of Valparaiso—a project already under feasibility study by the Soviets.

The communiqué at the end of the visit, however, gave no sign that the Soviets made any hard promises. The communiqué, for the most part couched in general terms, called for an increase in trade and stipulated possible areas of greater future cooperation. Even without hard promises, it is likely that the Soviets will be more forthcoming. They will want to tie any major aid commitments, however, to a concerted effort by the Allende government to put the Chilean economy in order.

Moscow is also donating a prefabricated housing plant worth \$2.5 million. Allende announced in February that some 5,000 Soviet tractors would be imported in 1972. Chile probably will order other Soviet agricultural machinery under the machinery and equipment credits. An additional \$50 million in Soviet hard-currency credits, announced recently, are believed to be short-term commercial credits, Chile's most urgent current need. The funds will be disbursed through Soviet-owned banks in Western Europe.

Political considerations encourage increased Soviet involvement in Chile now. These directly relate to Soviet prospects in the rest of Latin America. Since the Allende government came to power, the USSR has put considerable stress on the "united front" tactics being successfully pursued in Chile, and has urged other Latin American Communists to follow the example of their Chilean colleagues. Current serious economic dislocations, however, are being used by Allende's domestic critics with telling effect. Soviet failure to assist Allende in this time of need would endanger Moscow's position in Chile as well as undermine the positions of pro-Soviet Communists throughout Latin America.

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Pakistan: The Problems Mount

President Bhutto, already facing major economic problems, enters his third month in office facing growing political unrest.

In recent weeks, there has been a steady deterioration in relations between Bhutto's Pakistan People's Party and most of the opposition parties. General leadership of the opposition has fallen to Khan Abdul Wali Khan, head of the National Awami Party/Requisitionist, the largest party in the Northwest Frontier Province and in Baluchistan. Bhutto's party is the major one in the two more populous provinces, the Punjab and Sind.

The opposition has concentrated its attacks on Bhutto's refusal to lift martial law, or even announce a date for ending it, and on his refusal to announce a date for convening the national assembly. The attackers have the advantage of being able to quote Bhutto's own demands, before he assumed power, for a restitution of democratic processes.

Bhutto has announced that provincial assemblies will meet on 23 March, but Wali Khan has threatened to upset plans for convening an assembly in the Northwest Frontier unless martial law is lifted. Because his party controls a majority of assembly seats in that province, it can carry out its threat.

Bhutto's party has suffered other setbacks in recent days. In elections to fill seats in the provincial assemblies reserved for women, the National Awami Party, with the support of its allies, took the three seats at stake in the Northwest Frontier and Baluchistan. Bhutto's party, as expected, won handily in the Punjab and Sind. Meanwhile, Bhutto, reacting to threats from the opposition parties to boycott municipal elections that he had scheduled for 15 March, announced the elections would be postponed.

A police strike in Peshawar ended with considerable embarrassment for Bhutto when the governor—a Bhutto appointee—gave in to police demands for an apology for interfering in police

matters. The success of the strike in Peshawar stimulated similar strikes in other cities where policemen sought to reassert their authority and improve their economic position. The strikes were successful in several places but not in Lahore, capital of the Punjab, where the governor's decisive action, backed by popular demonstrations, forced the police to capitulate. The result in Lahore, combined with general wage raises for lower ranking government employees, could signal the end of police agitation, at least in those cities where the Pakistan People's Party is strong.

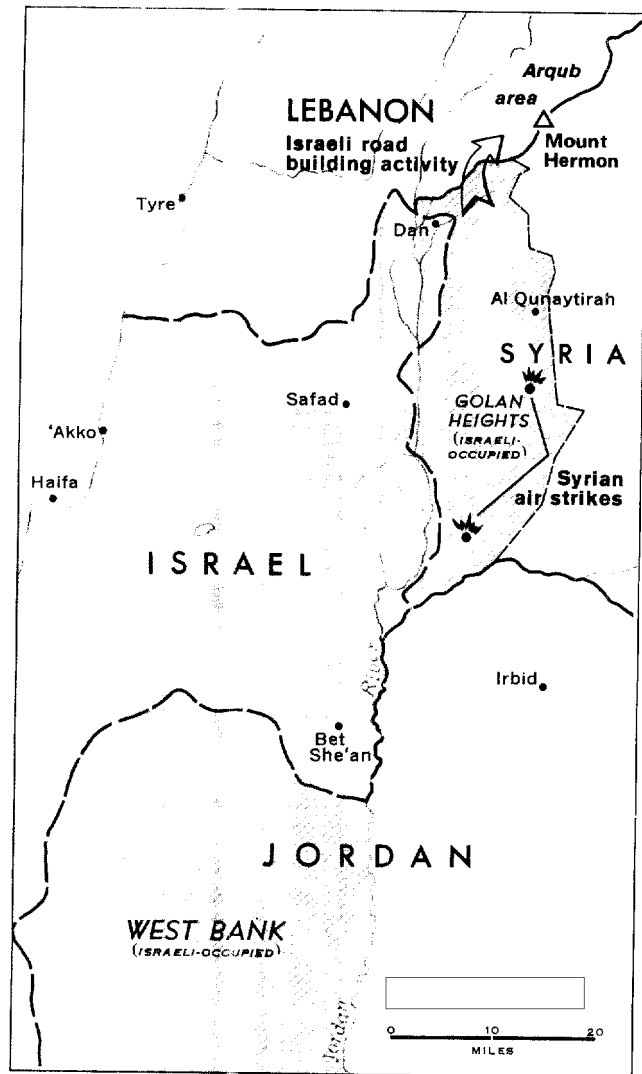
The growing controversy between the opposition and the government has revived fears that regional separatism may lead to new attempts at secession. Wali Khan claims that he seeks only greater provincial self-government, not autonomy. The present troubles, however, combined with the traditional distrust between the Pathans and the Punjabis, suggest that in certain circumstances the Northwest Frontier Province might attempt to break away. This is one reason, presumably, why Bhutto is reluctant to lift martial law. Conversely, unless he is willing to set a date for ending martial law, the present political climate is likely to grow worse.

On the international front, Bhutto has indicated an interest in early talks with Prime Minister Indira Gandhi and Mujibur Rahman. Negotiations with the Indians have been stymied by Pakistani insistence on further clarification of New Delhi's proposal for a meeting, but the pace may quicken fairly soon in light of Mrs. Gandhi's public statement that Indian troops will be out of Bangladesh by 12 March. Domestic pressure is increasing on Bhutto to get back roughly 90,000 Pakistani prisoners-of-war and to have the Indian Army withdraw from some important agricultural territory in West Pakistan. As for consultations with Dacca, the Pakistanis apparently hope for speedy progress, but Mujib's insistence that negotiations will be possible only after Islamabad recognizes Bangladesh could cause further delays.

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Israel - Arab States: More Retaliation

On 28 February, after four days of intensive ground and air action against fedayeen positions in the Arqub area of Lebanon, the Israelis finally withdrew. During the operation, the Israelis occupied a 40-square-mile region including four villages. The Israelis claim to have killed 50 to 60 fedayeen and wounded 70 to 80 at a cost of 11 Israelis wounded. They destroyed a number of houses and captured a large quantity of arms and ammunition. They also began building three roads along the western slopes of Mt. Hermon to facilitate future action against the fedayeen. ~~The Israelis have informed US officials that the roads are not paved and could be mined by the fedayeen. They state that this hazard will be offset by the fast access the roads will give to "Fatahland."~~



The Israelis achieved at least part of their objective—the Lebanese Army has now moved to replace the fedayeen in forward positions in the Arqub region. A Lebanese colonel was quoted as saying, "This time we intend to occupy the guerilla positions and keep them." The Lebanese Army in the past had been relatively successful in controlling fedayeen activity in the western half of Lebanon's border with Israel, but had for some time abandoned the eastern portion to the

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fedayeen. It is doubtful that the Lebanese will be able to interdict all fedayeen activity in the mountainous area should the guerrillas decide to continue their operations.

Demonstrations planned by the fedayeen and their leftist supporters in southern Lebanon failed to take place. The local population, which left the area during the height of the fighting, has returned and is reportedly delighted to see the Lebanese Army in the towns and villages. Demonstrations that did occur in Beirut were noteworthy for their brevity and the absence of incidents, although they were characterized by a markedly anti-government tone.

Meanwhile, as a result of increasing terrorist actions across the Syrian-Israeli cease-fire line after the Israeli raids into Lebanon, the Israelis on the morning of 1 March launched air strikes at fedayeen bases in Syria. Later the same day,

Syrian planes retaliated with air strikes at Israeli settlements in the Golan Heights; the Israelis reported that there were no casualties and no damage. Israeli aircraft attempted to intercept the Syrian planes but made no contact. [REDACTED]

Cyprus: Uneasy Quiet

Tensions between Archbishop Makarios and Athens have eased slightly with the passage of time, although the President still has not formally replied to the Greek note of 11 February. Both sides remain confident of ultimate victory, but each appears anxious to avoid a return to the dangerous confrontation of a few weeks ago.

The Greeks are keeping up their political pressure. The Greek Cypriot bishops met in holy synod on 2 March and unanimously requested the Archbishop to resign. The bishops have no temporal power to enforce their request, but there is danger that their action may split the Greek Cypriot community and lead to violence.

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Makarios is, of course, a very skillful political operator and may yet be able, once again, to outmaneuver the bishops. Even before these developments, the Archbishop [REDACTED]

[REDACTED] remains adamantly opposed to the other demands in the Greek note—reshuffling his government and resigning as president. Meanwhile, there continue to be no signs of any unusual military activity either on Cyprus or in Greece and Turkey. [REDACTED]

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Sudan: A Peace Plan at Last

Two weeks of difficult negotiations in Addis Ababa between government and rebel representatives resulted in a preliminary agreement on 27 February for settling the 16-year rebellion. The agreement must still be ratified by both sides, and there are serious obstacles to a final resolution of the conflict.

A rebel spokesman's description of the still unpublished draft as "very sensitive" suggests that it may prove controversial in both camps. Leaks from participants in the negotiations reveal agreement on arrangements to monitor a cease-fire to commence in mid-March, the gradual integration of Anya-Nya rebel units into the national army, and the establishment of a federal relationship between the south and Khartoum.

Both sides are now faced with the considerable problem of attracting broad support to the Addis document. This is a particularly complex task for the Anya-Nya. Leadership of the rebels is badly fragmented, and the rebel fighting units are dispersed throughout the three sprawling southern provinces. It is far from certain that most of the really important rebel commanders were even represented at the conference. On the contrary, one rebel spokesman has already denounced the parley, claiming that the southern participants represented only a segment of the insurgent movement.

Another possible impediment to progress toward a settlement is the attitude of the Israelis, whose arms deliveries and training over the past two and a half years have substantially strengthened the rebel forces. The Israelis, who would gain nothing from an early end to the fighting, are urging the rebels to proceed cautiously.

For his part, President Numayri's main concern is selling the agreement to the army, which has been carrying the burden of quelling the pro-

tracted insurrection. Numayri is still riding out the waves caused by the ouster last month of pro-Egyptian defense minister Abbas and is more than ever dependent on military support. His public threat last week to purge recalcitrant members of the regime who are close to Abbas reflected his self-assurance and confidence in army backing, but he is unlikely to risk antagonizing army commanders by trying to impose an unacceptable settlement on them.

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Rhodesia: Canvass Nears End

Since January when riots briefly engulfed Rhodesia's African townships, the Pearce Commission, sent by London to test the acceptability of the Anglo-Rhodesian settlement, has been able to go about its business largely unimpeded. The commission has indicated that it hopes to wrap up its canvassing by the end of next week and to present its findings to Foreign Minister Home in early April.

In the meantime, a group of prominent white moderates has been trying rather belatedly to rally enough African support to salvage the accord.

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Press reports also suggest that most blacks continue to say, "No."

The Rhodesian Government has predictably tried to explain away the African reaction as the work of a "small minority of rabid, militant, nationalist hooligans." Both sides have resorted to intimidation, but the massive African rejection clearly reflects not only a solid opposition to the settlement but to the Smith government as well.

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Trying to Understand

lowing an attempted coup last week by dissident military officers. Despite the government's success in warding off this threat, jockeying for power will continue among Dahomey's many contending factions.

After several weeks of plotting by various politically ambitious civilian and military groups, the coup move came on the morning of 23 February when five young soldiers tried to kidnap or assassinate the army chief of staff. Failing in this first phase of their plan, the frustrated plotters took refuge in the Camp Guezo military compound in Cotonou, Dahomey's administrative center. Paratroops from the Ouidah garrison, 25 miles from Cotonou, surrounded Camp Guezo and forced the surrender of the coup plotters there after extended negotiations between top-ranking military officers. Eight junior officers and noncoms were subsequently arrested.

The senior officers who almost certainly masterminded the affair have gone untouched, probably because the government fears provokin25X1 further military action. At least three of those arrested are linked with the assistant secretary of national defense, Lt. Col. Maurice Kouandete,

Dahomey: Back to the Drawing Board

The three-man Presidential Council headed by President Hubert Maga remains in power fol-

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Bolivia: Paz Dominates Convention

Victor Paz Estenssoro has at the party's convention once again demonstrated his political prowess and reaffirmed his leadership of the Nationalist Revolutionary Movement. Nevertheless, despite a renewed emphasis on unity and pledges of support for the party's role in President Banzer's Popular Nationalist Front government, deep-seated problems remain unresolved.

The convention was the full party's first public conclave since the Paz overthrow by the military in 1964. Paz was apparently determined to project an image of personal strength, internal party cohesion, and undiluted support for the present government. At the opening session on 25 February, the delegates warmly applauded not only Paz, but Banzer, the armed forces, and even the leader of the Falange, once an archenemy but now a partner in government. During the all-day, all-night session that ended the convention early on the 28th, Paz was re-elected party chief by acclamation. The unpopular permanent secretary, Guillermo Bedregal, replaced the self-exiled Hernan Siles Zuazo as sub-chief, and Minister of Labor Humboldt took the newly created post of deputy sub-chief.

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Paz's domination of the delegate selection process meant that the convention was locked up in advance, and there was no real impediment to the Paz steamroller. Although leftist Siles Zuazo lost his party post, Paz was careful not to give him an excuse to launch a rival party faction from Chile. Siles Zuazo was not even mentioned, and neither he nor anyone else was formally expelled. Nevertheless, in line with Paz's admonition that dissidents should either accept the will of the convention or leave the party, the procedures for expulsion of "traitors and divisionists" were revised to make such action less complicated.

Although everything went Paz's way, his success is probably more cosmetic than real. Other dissident elements, which had appeared to have a good chance of pushing through at least some reforms, for the most part boycotted the convention and denounced its proceedings. One of the main dissidents, Jaime Arellano, declared that his group will hold its own convention. The next move will depend on whether their frustration is great enough to offset the realization that it is Paz who distributes patronage, which is finally available after almost seven years. As for Siles Zuazo, should he become convinced that *movimientistas* of a leftist persuasion are now fed up enough to break with the party, he might declare himself head of a movement in exile. A major splintering off could signal a return to the recent era of rival feuding groups, each claiming to be the "real" movement.

Jamaican Election Landslide

The opposition People's National Party, led by Michael Manley, won at least 35 of the 53 House of Representative seats in an orderly election on 29 February. The voting was heavy, and the outcome of the races for one or two seats is still in doubt. Former prime minister Hugh Shearer and his Jamaica Labor Party have been demoralized by the crushing defeat and will be slow to put together an effective opposition.

Manley's stunning victory will give him a strong mandate to implement his campaign promises, which centered on reducing the high rate of unemployment, the rising cost of living, and political corruption. His program did not differ significantly from that of the losers, and the landslide probably was due in part to the electorate's feeling that after ten years the time had come for a change.

Manley has professed friendship for the US. He and many of his advisers, however, are politically to the left of the previous government. His government will probably be friendly toward the US but may not be as cooperative in foreign affairs. Manley has professed to be more "independent" on international issues than Shearer, and hence he can be expected to be more sympathetic to Third World objectives. He may, for instance, be more amenable than his predecessor to closer ties with Cuba.

He may also seek greater local participation in the ownership of Jamaica's bauxite industry as well as other major industrial holdings. This would not in itself be unusual since the previous government conducted a very quiet and successful "Jamaicanization" of certain foreign investments. It is doubtful, however, that Manley will risk Jamaica's long-standing close cooperation with and encouragement of private US investment at this time.

Manley was sworn in on 2 March and is expected to announce his cabinet in the near future. The US defense attaché in Kingston

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believes that the Jamaican Defense Force will lose its commander immediately because he is not liked by many of Manley's followers. The new prime minister can be expected to move rapidly but cautiously in fashioning his government. Some minor post-election violence is possible, but Jamaica has a long tradition of respect for law and order, and any violence that may arise is likely to be short lived.

The big question now is the effect this will have on the legislative and municipal elections on 12 March. Although the opposition coalition may be angry enough to withdraw from these elections, it has more to gain by participating and will probably remain in the race. The government could neutralize part of the anger by reinstating some of the legislative slates rejected earlier on technical grounds.

El Salvador: Molina Elected

The controversy over the presidential election on 20 February was ended five days later when the electoral council announced that Colonel Arturo Armando Molina, the governing party's candidate, had won a plurality. The legislature convened at once and elected Molina. Despite the fact that many believe the leftist coalition candidate Napoleon Duarte actually topped Molina, there has been no violence. The military appears united in support of the outcome.

At best, Molina will take office 1 July as a result of an election which, while legal, found over forty percent of the voters aligned against him. At worst, he may not take office at all. If strong public reaction develops, a coup is a possibility, though a slim one. Between these extremes, the government must weigh the relative merits of its present course of political overkill in disqualifying nearly one third of the opposition's legislative candidates, against the possibility of a "patch-work quilt" legislature that the governing party would not control.

The question of which candidate polled the most votes is academic when none wins a majority. In that case, the legislature must choose between the two front-runners, but it is under no legal constraint to elect the first-place candidate. Nevertheless, apparent vote-juggling to provide Molina with the safety factor of a plurality has caused many to doubt the government's electoral honesty when the chips are down.

The long-term prospects for voter and opposition confidence are bleak. After a decade of trying to woo the electorate out of an apathy that had held electoral participation to 39 percent or less, El Salvador experienced a record 70 percent turnout on 20 February. A substantially lower turnout in the March elections could be an indication of reduced confidence. Furthermore, opposition deputies in the Legislative Assembly, many of whom have played a constructive role in the past, may now feel relegated to perpetual opposition. The net effect could be to stymie the new government's legislative program.

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UN Calendar

WALDHEIM TO SOUTHERN AFRICA

Secretary General Waldheim next week will make the first visit by a high UN official to South Africa and the territory of South-West Africa. A Security Council resolution last month directed him to talk with "all parties concerned" in the dispute over Pretoria's refusal to withdraw from the territory.

Prime Minister Vorster invited Waldheim without acknowledging the resolution, but Pretoria admits the territory has some sort of "international status." The conversations with Waldheim, therefore, could undermine to some extent the South African position. Presumably, Vorster is taking this degree of risk in hopes of eventually negotiating a compromise on this thorny issue. His ouster this week of liberal Anglican Bishop Winter from the territory could pose problems, especially if Winter secures the interview he desires with Waldheim. Other complicating factors are the recent unrest among the Ovambos in South-West Africa and the tendency of blacks there to expect too much of Waldheim's visit.

STOCKHOLM IMBROGLIO

The final preparatory session for the June UN Conference on the Human Environment in Stockholm convenes on 6 March to consider further the conference's institutional arrangements and draft declaration. The East Europeans and the Soviets threaten to boycott the Stockholm meeting in June if East Germany is not granted the status of full participant. The question may not be settled before May when Pankow's bid for membership in the World Health Organization is settled. Under terms worked out for conference participation, membership in any UN specialized agency would permit Pankow to occupy a seat at Stockholm. Peking has decided to send a delegation.

The less-developed countries are concerned that environmental controls could hamper their economic development, and their votes will have an important bearing on the outcome of the Stockholm meeting. A draft declaration that implicitly calls on the major powers to help finance anti-pollution measures and the US pro-

posal for a \$100-million UN fund on the environment may help to bring them along.

WAR ON ILLICIT DRUGS

A UN plenipotentiary conference to amend the 1961 Single Convention on Narcotic Drugs opens on 6 March in Geneva with some 45 countries likely to attend. Key Western countries agree with the US that existing international drug control legislation is inadequate. Proposed amendments would empower the International Narcotics Control Board to change opium production estimates submitted by a UN member state if it considers the estimates to be faulty, and to bring serious violations of the convention to the attention of the General Assembly.

REFUGEE AID IN ARAB LANDS

Officials of the UN Relief and Works Agency have agreed to defer planned reductions in welfare services provided to Middle East refugees. The curtailments, necessitated by the agency's chronic inability to balance its budget, would have involved basic elements of the aid program, especially the vocational education program that has permitted many refugees to become self-supporting. Lebanon and Jordan bitterly complained that the cuts could undermine their security by enhancing fedayeen recruitment among young people in the camps. As a result, the reductions will not be implemented before 15 April, the deadline for a projected fund drive aimed at raising \$1.5 million to solve the agency's money problems.

Western governments are not likely to contribute generously, since the agency has never received support from the Soviets and East Europeans. The Arabs themselves have been chary of taking steps that would imply some responsibility for the refugee situation. Jordan lacks the resources to take over the programs the agency may curtail. Fearing that no adequate solution will be found soon, UN and Jordanian officials have begun to tighten security measures in the camp areas.

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